

<u>INSTRUCTIONS FOR TITLING/REGISTERING WATERCRAFT UNDER THE PROVISIONS</u> <u>SET FORTH IN THE CODE OF VIRGINIA FOR SELF-SERVICE STORAGE</u>

When the owner of a watercraft defaults on a rental agreement at a storage facility, the owner of the facility may follow the procedure outlined below in order to sell the watercraft and recover the cost of the storage.

If the boat has registration numbers assigned by the Commonwealth of Virginia or any other state:

- 1. The facility owner must notify the last registered owner by verified mail at the address provided by the occupant in the rental agreement or at the address listed on record with the title/registration state if there is no address listed on the rental agreement. If the boat was registered out of state, a copy of the registration record will be required to prove that the correct registered owner has been notified. **The letter must include**:
 - An itemized statement of the owner's claim, indicating the charges due on the date of the notice and the date when the charges became due.
 - A demand for payment of the charges due within at least 20 days after the date of the notice.
 - A statement that the contents of the occupant's leased space are subject to the owner's lien.
 - A conspicuous statement that unless the claim is paid within the time stated, the contents will be sold at public auction at a specified time and place.
 - The name, street address, and telephone number of the owner or his designated agent whom the occupant may contact to respond to the notice.
- 2. Notify any lienholder listed in the official records of the registering state by certified mail that the boat will be sold. This letter must give at least 10 days notice of the proposed auction.

If the boat shows no registration numbers:

If the boat shows no registration numbers, the written notice should be mailed to the occupant as listed in the rental agreement. If neither the owner of the personal property nor the occupant of the storage space can be ascertained, the name of "John Doe" shall be substituted in the proceedings and no written notice shall be required.

Once the auction is held, the disbursements of the proceeds will be divided as follows:

- Up to the first \$250.00 will go to the storage facility if the charges are at least \$250.00.
- Any remaining monies go toward the pay off of recorded liens on the boat to the extent of the proceeds of the auction so long as the lienholder has replied to the notification. If the lienholder fails to reply to the facility owner within 30 days of the date of the auction, the owner may retain these funds to be applied to any remaining balance due him from the occupant.
- Any remaining proceeds may be applied to the remaining balances at the storage facility including costs incurred to hold the auction.
- Any remaining funds must be held by the owner of the facility to return to the occupant if he/she comes to claim the proceeds.



The purchaser of the boat may apply for title and registration in his name by submitting to the Department the following:

- □ Application for Certificate of Title and Certificate of Number with the appropriate fees.
- □ A copy of the notice that was sent to the previous owner and lienholder that contains the following:
 - An itemized statement of the owner's claim, indicating the charges due on the date of the notice and the date when the charges became due.
 - A demand for payment of the charges due within at least 20 days after the date of the notice.
 - A statement that the contents of the occupant's leased space are subject to the owner's lien.
 - A conspicuous statement that unless the claim is paid within the time stated, the contents will be sold at public auction at a specified time and place.
 - The name, street address, and telephone number of the owner or his designated agent whom the occupant may contact to respond to the notice.
- Copies of certificates of mailing or emails **OR**
- □ The unopened letter marked as "Undeliverable" by the Post Office.
- □ The Self-Storage Affidavit completed by the person who conducted the public auction and notarized.
- □ Bill of Sale to Purchaser(s)



Affidavit of Compliance for Enforcement of Virginia's Self-Service Storage Act

The undersigned, being duly sworn, deposes and says:

- 1. That the watercraft described below was sold by the undersigned at public auction.
- 2. That such sale was conducted in compliance with § 55-2900 et seq of the Code of Virginia as noted below:
 - a) After the occupant has been in default for a period of ten days, he/she was notified of default on the rental agreement by verified mail or email at his/her last known address. This notice stated that unless payment was made within a specified time, not less than twenty (20) days from the date of notice, contents of the leased space would be sold at public auction.
 - b) All lienholder(s) were notified by certified mail, that boat would be sold, giving ten (10) days notice of proposed public auction.
- 3. That this affidavit and supporting documents, as outlined in a, b, and c above, are provided to the Virginia Department of Wildlife Resources pursuant to § 55-2900 et seq of the <u>Code of Virginia</u> to support the issuance of a new certificate of title and registration to said watercraft to the purchaser thereof.

	Boat Registration/Title Number:	
	Make of Watercraft:	
	Hull Identification Number:	
	Serial Number of Motor:	
	Make of Motor:	
	Horsepower of Motor:	
4.	Signature of person who conducted the auction:	
	<u>X</u>	Date:
	E OF VIRGINIA ounty of:	
	On this day of affiant(s) signing above, acknowledged and made oath true. X	
	Notary Public	My Commission Expires
NOTE	Person(s) applying to register/title this vessel must	Seal submit an "Application for Motorboat Certificate of

NOTE: Person(s) applying to register/title this vessel must submit an "Application for Motorboat Certificate of Number/Certificate of Title", appropriate fees, bill of sale, this affidavit and documents noted above.



<u>Code of Virginia</u> Title 55: Chapter 29 - Virginia Self-Service Storage Act

- § <u>55.1</u>-2900 Definitions
- § 55.1-2901 Lien on personal property stored within a leased space
- § 55.1-2902 Enforcement of lien
- § 55.1-2903 Other legal remedies may be used
- § 55.1-2904 Care, custody, and control of property
- § 55.1-2905 Savings clause
- § 55.1-2906 Effective date and application of chapter

§ 55.1: Chapter 29 Short title

This chapter shall be known as the "Virginia Self-Service Storage Act."

§ 55.1-2900 Definitions

As used in this chapter, unless the context clearly requires otherwise:

- 1. "Default" means the failure to perform on time any obligation or duty set forth in the rental agreement or this chapter.
- 2. "Last known address" means that address or electronic mail address provided by the occupant in the rental agreement or the address or electronic mail address provided by the occupant in a subsequent written notice of a change of address.
- 3. "Leased space" means the individual storage space at the self-service facility that is leased or rented to an on occupant pursuant to a rental agreement.
- 4. "Occupant" means a person, his sublessee, successor, or assign, entitled to the use of a leased space at a self-service storage facility under a rental agreement.
- 5. "Owner" means the owner, operator, lessee, or sublessor of a self-service storage facility, his agent, or any other person authorized to manage the facility or to receive rent from any occupant under a rental agreement. The owner of a self-service storage facility is not a warehouseman as defined in § 8.7-102, unless the owner issues a warehouse receipt, bill of lading, or other document of title for the personal property stored, in which event, the owner and the occupant are subject to the provisions of Title 8.7 dealing with warehousemen.
- 6. "Personal property" means movable property not affixed to land and includes goods, wares, merchandise, and household items and furnishings.
- 7. "Rental agreement" means and agreement or lease that establishes or modifies the terms, conditions, or roles concerning the use and occupancy of a self-storage facility.
- 8. "Self-service storage facility" means any real property designed and used for renting or leasing individual storage spaces, other than storage spaces that are leased or rented as an incident to the lease or rental of residential property or dwelling units, to which the occupants thereof have access for storing or removing their personal property. No occupant shall use a self-storage facility for residential purposes.
- 9. "Verified mail" means any method of mailing that is offered by the United States Postal Service or a private delivery service that provides evidence of mailing.



§ 55-419 Enforcement of lien

- A. 1. If any occupant is in default under a rental agreement, the owner shall notify the occupant of such default by regular mail at his last known address, or, if expressly provided for in the rental agreement, such notice may be given by electronic means. If such default is not cured within 10 days after its occurrence, then the owner may proceed to enforce such lien by selling the contents of the occupant's unit at public auction, for cash, and apply the proceeds to satisfaction of the lien, with the surplus, if any, to be disbursed as provided in this section. Before conducting such a public auction, the owner shall notify the occupant as prescribed in subsection C. The rental agreement may provide the occupant with the option to designate an alternative contact to receive the notices required by this section. Failure or refusal of an occupant to the provisions of this section or any other provision of law. No alternative contact shall have any right to access the leased space or any personal property stored within unless expressly stated otherwise in the rental agreement.
 - 2. In the case of personal property having a fair market value in excess of \$1,000, and against which a creditor has filed a financing statement in the name of the occupant at the State Corporation Commission or in the county or city where the self-service storage facility is located or in the county or city in the Commonwealth shown as the last known address of the occupant, or if such personal property is a watercraft required by the laws of the Commonwealth to be registered and the Department of Wildlife Resources shows a lien on the certificate of title, the owner shall notify the lienholder of record, by certified mail, at the address on the financing statement or certificate of title, at least 10 days prior to the time and place of the proposed public auction. If the owner of the personal property cannot be ascertained, the name of "John Doe" shall be substituted in the proceedings provided for in this section and no written notice shall be required. Whenever a watercraft is sold pursuant to this subsection, the Department of Wildlife Resources shall issue a certificate of title and registration to the purchaser of such watercraft upon his application containing the serial or motor number of the watercraft purchased, together with an affidavit by the lienholder, or by the person conducting the public auction, evidencing compliance with the provisions of this subsection.
- B. Whenever the occupant is in default, the owner shall have the right to deny the occupant access to the leased space.
- C. After the occupant has been in default for a period of 10 days, and before the owner can sell the occupant's personal property in accordance with this chapter, the owner shall send a further notice of default, by verified mail, postage prepaid, to the occupant at his last known address, or, if expressly provided for in the rental agreement, such notice may be given by electronic means, provided that the sender retains sufficient proof of the electronic delivery, which may be an electronic receipt of delivery, a confirmation that the notice was sent by facsimile, or a certificate of service prepared by the sender confirming the electronic delivery. Such notice of default shall include:
 - 1. An itemized statement of the owner's claim, indicating the charges due on the date of the notice and the date when the charges became due;
 - 2. A demand for payment of the charges due within a specified time not less than 20 days after the date of the notice;
 - 3. A statement that the contents of the occupant's leased space are subject to the owner's lien;
 - 4. A conspicuous statement that unless the claim is paid within the time stated, the contents of the occupant's space will be sold at public auction at a specified time and place; and
 - 5. The name, street address, and telephone number of the owner or his designated agent whom the occupant may contact to respond to the notice.
- D. At any time prior to the public auction pursuant to this section, the occupant may pay the amount necessary to satisfy the lien and thereby redeem the personal property.



- E. In the event of a public auction pursuant to this section, the owner may satisfy his lien from the proceeds of the public auction and shall hold the balance, if any, for delivery on demand to the occupant or other lienholder referred to in this chapter. However, the owner shall not be obligated to hold any balance for a lienholder of record notified pursuant to subdivision A 2, or any other lien creditor, that fails to claim an interest in the balance within 30 days of the public auction. So long as the owner complies with the provisions of this chapter, the owner's liability to the occupant under this chapter shall be limited to the net proceeds received from the public auction of any personal property and, as to other lienholders, shall be limited to the net proceeds received from the public auction of any personal property covered by such superior lien.
- F. Any public auction of the personal property shall be held (i) at the self-service storage facility, (ii) at the nearest suitable place to where the personal property is held or stored, or (iii) online.
- G. A purchaser in good faith of any personal property sold or otherwise disposed of pursuant to this chapter takes such property free and clear of any rights of persons against whom the lien was valid.
- H. Any notice made pursuant to this section shall be presumed delivered when it is (i) deposited with the United States Postal Service and properly addressed to the occupant's last known address with postage prepaid or (ii) sent by electronic means, provided that the sender retains sufficient proof of the electronic delivery, which may be an electronic receipt of delivery, a confirmation that the notice was sent by facsimile, or a certificate of service prepared by the sender confirming the electronic delivery. In the event of a dispute, the sender shall have the burden to demonstrate delivery of the notice of default.
- I. In the case of any motor vehicle, so long as the motor vehicle remains stored within such leased space, the owner shall have a lien on such vehicle in accordance with § 46.2-644.01.
- J. In the case of any watercraft, if the occupant has been in default for more than 60 days, the owner may have such watercraft towed from the self-service storage facility in lieu of conducting a public sale of such property. Notice shall be sent by verified mail or electronic mail at the occupant's last known address at least 10 days prior to the tow date and shall include the name, address, and telephone number of the company selected to tow such watercraft. Such notice may be sent independently or as part of the notice required by subsection C. The owner shall be immune from civil liability for any damage to such watercraft that occurs after the company selected to tow such watercraft takes possession of the watercraft.



§ 55.1-2903. Other legal remedies may be used.

The provision of the chapter shall not preempt or limit the owner's use of any additional remedy otherwise allowed by law.

§ 55.1-2904 Care, custody and control of property

Unless the rental agreement specifically provides otherwise, the exclusive care, custody, and control of all personal property stored in the leased space shall remain vested in the occupant.

§ 55.1-2905 Savings clause

All rental agreements, entered into prior to July 1, 1981, which have not been extended or renewed after that date, shall remain valid and may be enforced or terminated in accordance with their terms or as permitted by any other statute or law of this Commonwealth.

§ 55.1-2906 Effective date and application of chapter

The provisions of this chapter shall apply to all rental agreements entered into or extended or renewed after July 1, 1981.